

CLIMATE ASSETS FUND

FACTSHEET

DECEMBER 2018



QUILTER CHEVIOT

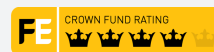
OBJECTIVE

The Climate Assets Fund seeks to achieve long term capital appreciation and provide income by multi-asset allocation and multi-thematic investment. The fund invests around the world with a focus on investment opportunities arising from the convergence of climate change, resource scarcity and population shifts.



■ CLIMATE ASSETS FUND

Past performance is not a guide to future performance and future returns are not guaranteed. The share price performance graphic uses an extended track record based on the Climate Assets A-Acc (donor share) up until the 24th June 2012.



INVESTMENT PARTNERS

You can also invest in this fund via one of our wide range of Investment Partners.



Cumulative performance (%) to 30 November 2018	YTD	1yr	3yr	5yr	Since Inception
CLIMATE ASSETS FUND	-0.44	0.67	31.18	44.55	100.41
IA Mixed Investment 40-85% Shares	-2.28	-1.02	20.89	31.49	72.50
Bank Of England Base Rate	0.54	0.58	1.28	2.29	4.22

Discrete performance (%) to 30 November each year	2018	2017	2016	2015	2014
CLIMATE ASSETS FUND	0.67	11.44	16.93	1.55	8.51
IA Mixed Investment 40-85% Shares	-1.02	11.34	9.69	2.56	6.05
Bank Of England Base Rate	0.58	0.27	0.42	0.50	0.50

Source: Financial Express 30/11/2018. B Accumulation share class performance, inclusive of charges, in GBP with net income reinvested. The performance of other share classes may differ. The AMC (annual management charge) for the A share-Acc is 1.5%, while the AMC for the B share-Acc is 1%. The share price performance data uses an extended track record based on the Climate Assets A-Acc (donor share) up until 24th June 2012.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	5.08	3.50	1.55	0.36	2.75	-3.82	4.95	-1.76	0.78	3.48	-0.72	1.00	18.11
2014	-2.21	3.54	-0.39	0.00	1.02	-0.16	-0.78	2.04	-0.38	0.31	4.39	0.22	7.68
2015	2.36	1.29	2.34	-2.64	1.64	-4.77	0.66	-2.41	-2.02	3.21	2.00	-1.09	0.22
2016	-2.20	3.98	3.03	0.56	0.21	5.15	5.43	1.26	0.56	1.23	-2.01	1.86	20.43
2017	1.59	1.86	0.88	0.82	2.26	-1.42	0.00	2.24	-0.84	2.21	-0.50	1.12	10.62
2018	-0.66	-1.50	-3.10	2.56	2.78	-0.72	2.22	1.31	-0.48	-3.51	0.89	-	-0.44

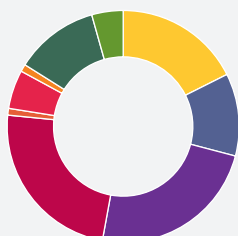
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ASSET ALLOCATION

	%
Fixed Interest	17.60
Equity	66.33
Alternative Investments	11.70
Cash	4.37

ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 30 November 2018



- Fixed Interest 17.60%
- United Kingdom 11.50%
- North America 23.78%
- Europe (ex UK) 23.69%
- Asia Pacific (ex Japan) 0.94%
- Japan 5.40%
- Emerging Markets 1.02%
- Alternative Investments 11.70%
- Cash 4.37%

TOP 10 HOLDINGS

	%
SPDR Barclays US Treasury Bond ETF	3.20
Waste Management	2.90
Union Pacific	2.90
Thermo Fisher	2.90
American Water	2.80
Xylem	2.70
UK Treasury Gilt 1.5% 22/01/2021	2.50
Emerson Electric	2.20
Schneider Electric	2.20
Kingspan Group	2.20
Total Top 10	26.50%

IMPORTANT: The value of investments and the income from them can go down as well as up. You may not recover what you invest.



FUND DATA

Issue Date	25 June 2012
Launch Price	100.00p
Current Price	180.60p Acc, 170.80p Inc
Fund Size	£59,367,614.61
ISAs/SIPPs/SSASs/Offshore Bonds	Eligible
Base Currency	GBP
Minimum Lump Sum Investment	£1,000
Minimum Regular Savings	£100 a month
Dealing Schedule	Daily at 12:00pm

Historic Yield	2.12%
Annual Management Charge	1.00%
Initial Fee	0.00%
Ongoing Charges*	1.24%
Ex Dividend Dates	1 Feb & 1 Aug
Dividend Pay Dates	31 Mar & 30 Sept
Sedol Number	B3K3HX1 Acc, B5QHLR3 Inc

* This includes the Annual Management Charge

This clean share class is the Retail Distribution Class (RDR) and is commission free

MARKET COMMENTARY

During November, slowing global growth, uncertainty over the impact of US trade tariffs and normalisation of monetary conditions contributed to continued financial market volatility. However, equity markets drew some comfort late in the month after President Trump announced a temporary tariff reprieve to allow for trade discussions to reconvene and the US Federal Reserve Chairman signalled the range of interest rate estimates were just below the neutral rate.

Trade tension and China's subsequent slowdown have triggered a sharp deterioration in EU export growth this year. This cyclical external environment – along with investment – matters for Europe as private spending makes up a smaller proportion of GDP than, for example, in the US or UK. In the US, we believe markets have become too pessimistic about growth prospects. US real GDP has accelerated this year as the result of a cyclical upturn in capital expenditure, increased employment fiscal boost and accommodative monetary policy. However, next year the fiscal boost will level off before becoming mildly negative in 2020. Meanwhile interest rates have been rising gently with another increase signalled for late December to 2.75%, which takes rates a step closer to the 3% neutral target but not sufficiently restrictive to stop growth, in our view.

The slowing global economic activity has been accompanied by downgrades to corporate earnings forecasts, notably in emerging markets but also in the US and UK. Predominately a scaling back of previous over optimistic forecasts, all industrial sectors have experienced some negative revisions especially technology and consumer discretionary. Profits are estimated to grow 8% across the developed world in 2019 following a 15% uplift this year. The prospective price earnings valuation falls from 15 times for the current year to 14 times next year, which is below the 20-year average.

INVESTMENT THEMES

Energy (16.88%) - The fund invests in companies providing solutions to the problems of using fossil fuels and energy scarcity & security, such as those involved in renewable energy generation, green transport, products & technologies for green building design & construction and energy efficiency.

Food (7.21%) - The fund invests in companies providing solutions to the food supply/demand imbalance problem, such as those involved in grain production and harvesting, food testing, food processing, measurement & control, and high-tech agriculture supplies.

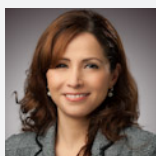
Health (21.99%) - The fund invests in companies providing products and solutions to these problems, such as those involved in medical supply & devices, vaccines and products for infectious diseases, minimal invasive surgery and medical analysis & testing.

Resources (34.52%) - The fund invests in companies providing solutions to the problems of resource scarcity, such as those involved in waste management, production and processing of environmentally friendly materials, waste-to-energy, coastal protection, productivity and efficiency gains and process control.

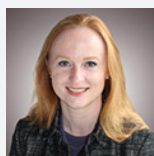
Water (15.03%) - The fund invests in companies providing solutions to the water scarcity problem, such as those involved in water supply and distribution, water analysis, monitoring and purification, water metering and efficient methods for crop irrigation.

References to specific securities are not recommendations to buy or sell those securities

FUND MANAGERS

**Claudia Quiroz - Fund Manager**

Claudia is the Lead Fund Manager of our award winning sustainable investment strategy, the Climate Assets Fund. She also manages the Quilter Investor Ethical Fund and segregated portfolios on behalf of private clients, pensions and charities with a focus on sustainable investment. Claudia holds an MBA from Cass Business School in London and joined Quilter Cheviot from Henderson Global Investors in 2009. She has over 15 years' experience in Sustainable, Ethical & Responsible Investment and is a member of the Chartered Institute for Securities & Investment.

**Caroline Langley - Fund Manager**

Caroline first trained as a Chartered Accountant at PricewaterhouseCoopers before spending two years as a consultant in their Sustainable Business Solutions team. She then began her private client career at J O Hambro before joining the company in 2006. Caroline graduated in Human Sciences from Oxford University in 1997 and also holds a Masters degree in Environmental Technology (specialising in Global Environmental Change and Policy) from Imperial College.

HOW TO INVEST

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wealth adviser

AWARD WINNER 2017

Best Wealth Manager - Balanced Portfolio
 Quilter Cheviot Investment Management

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